

ARTICLE APPEARED
ON PAGE 73

NATION
19-26 JULY 1980

UNDERWRITING THE RIGHT

Public TV's C.I.A. Show

JOHN S. FRIEDMAN

One of this season's most popular public television programs was *Free to Choose*, written by and starring controversial economist Milton Friedman, among whose previous activities was advising the Pinochet Government in Chile. The show examines almost every facet of the free enterprise system except the source of the funding for Milton Friedman's series debut on public TV. As far as the average viewer of *Free to Choose* could tell from the credits, the money was provided mainly by foundations rather than corporations; once again, it seemed public television had provided an independent forum for controversial programs.

But did it? If a program on the energy crisis were funded by the Mobil Oil Corporation or the Exxon Corporation, the conflict of interest would be obvious, but the ethical problems raised by foundation sponsorship of public television are less clear-cut. The general public regards foundations, for the most part, as charitable organizations functioning on behalf of some ill-defined public interest, and the foundation world has worked hard to foster this image.

But it is precisely this benign public view of foundations that has made them increasingly attractive "neutral" sponsors for controversial public television shows. Corporations and institutions whose images are tarnished now seek such "neutral" intermediaries to convey their views.

The Smith Richardson Foundation of Greensboro, North Carolina, is one such ideological middleman. This non-profit foundation, which provided seed money (a small but crucial sum) for *Free to Choose* as well as for other programs of similar conservative hue, has had close ties to the Central Intelligence Agency and the Defense Department for many years. Its funding of programs dealing with foreign policy or domestic spending raises serious questions about what should constitute a conflict of interest. Of equal importance is the viewers' right to know the ideological leanings of the underwriters of such programs so that they can better assess their objectivity.

Raising money for public programs is as uncertain as panning for gold. Advertising isn't permitted on the system, which is partially funded by the Government. Producers of controversial programs have a particularly difficult task because underwriters are reluctant to support them.

One reliable and lucrative source of funds, however, has been the Smith Richardson Foundation. With assets of approximately \$60 million, the foundation has, since 1975,

given about \$105,000 to the station. In addition, the station received a \$50,000 "Gift" from the American Petroleum Institute because K. J. Packer, a senior executive of the company, had contributed \$100,000 to the station's fund-raising efforts. In addition, the station received a \$47,500 "Gift" from the American Petroleum Institute because K. J. Packer, a senior executive of the company, had contributed \$100,000 to the station's fund-raising efforts.

In addition, the station received a \$47,500 "Gift" from the American Petroleum Institute because K. J. Packer, a senior executive of the company, had contributed \$100,000 to the station's fund-raising efforts. The new station is supported by a number of public television stations and is expected to be a major force in the future.

to look ahead and examine what role the C.I.A. might play when confronted with a crisis in the future."

Drafts of the story and teleplays are being reviewed by "consultants," according to the promotion brochure, who include William Colby, former director of the C.I.A.; Samuel Halpern, former C.I.A. executive assistant to the deputy director for plans; John Maury, former C.I.A. chief of Soviet operations, legislative counsel for Congressional relations and Assistant Secretary of Defense, and Cord Meyer, former chief of the C.I.A. covert action staff, chief of the London station and assistant to the deputy director.

Despite the fact that Smith Richardson Foundation money and other grants have not been enough to produce the program as yet, the initial biases of the project and of a key underwriter indicate some of the problems raised by Smith Richardson as a donor of such money for public TV programs. The more one knows about the foundation the more disturbing these problems become.

In 1935, the Smith Richardson Foundation was incorporated in North Carolina under the name of the Richardson Foundation. It was established by the late H. Smith Richardson, the son of the founder of the Vick Chemical Company. The company's name was changed to Richardson-Merrell Inc. in 1960 and the foundation, which is in-

CONTINUED